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NATIONAL SECURITY COUNCIL INTELLIGENCE COMMITTEE

WORKING GROUP

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Minutes of the Tenth Meeting  
1030 Hours, 20 November 1974  
White House Situation Room

Chairman: LtGen Samuel V. Wilson, D/DCI/IC

Members present: Mr. Leslie H. Brown, Dept. of State  
(representing Mr. George S. Vest,  
Director, Bureau of Politico-Military  
Affairs)

Mr. Robert F. Ellsworth, Assistant  
Secretary of Defense (International  
Security Affairs)

Mr. William N. Morell, Special  
Assistant to the Secretary on National  
Security, Department of the Treasury

RAdm Robert P. Hilton (representing  
LtGen John H. Elder, J-5 [Plans and  
Policy], JCS)

Mr. Richard Ober, NSC Staff, Executive  
Secretary of the NSCIC

Others present: VAdm Earl F. Rectanus, with Mr. Ellsworth  
Capt. Gerald W. Dyer, with RAdm Hilton  
[Redacted] Executive Secretary

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Agenda Item 1: Approval of Minutes of the 30 October Meeting

1. The draft minutes were approved after amendments by Mr. Morell to the second and fourth paragraphs of Agenda Item 2, and by Mr. Ober to the third paragraph of the same item (the corrected minutes will be disseminated).

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New Item: General Wilson's Trip to Moscow and Belgrade

2. General Wilson briefly described highlights of his recent trip to Europe. Principal focus was on his discussions with foreign attaches in Moscow and with Yugoslav officials, who spoke with him concerning the expected post-Tito situation.

Agenda Item 2: Critique of Intelligence Responsiveness to Consumer Needs

3. General Wilson referred to Admiral Hilton's letter requesting the Working Group be briefed on organization, capabilities and present activities of the Intelligence Community. The chairman said such briefings might well be provided later, but he would like to proceed with the scheduled critique.

4. Mr. Ellsworth began by noting intelligence consumers often have difficulty finding out who to ask to respond to their intelligence needs, and he thought there would be merit in the Intelligence Community taking the initiative with briefings or, preferably, a handbook for consumers on the allocation of production responsibilities, status of capabilities, etc.

5. General Wilson thought this was a good idea. Mr. Brown said the Community has the capacity to do this. Mr. Morell noted that his office has two roles--it works with policy levels and it is the Treasury contact with the Intelligence Community. Any policy shop which cannot get the answer it wants comes directly to him. General Wilson noted the explicit nature of Mr. Ellsworth's suggestion and said this was an action which could be moved on right away.

6. Mr. Ellsworth then said that consumers are uneasy about receiving "unqualified conclusions" from the Community. He thought it would be helpful if the Community were more fulsome concerning the qualifications and limitations which applied to particular judgments. He felt the consumer should know what the parameters of the uncertainties are.

7. He cited the "15,000 Warsaw Pact tanks" as an example, stressing that it is important for MBFR negotiations to know what confidence factor applies to that figure.

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8. Mr. Ober said the NSC staff members criticized both current intelligence and estimates on this same point. They want more evaluation. They also need a means of judging the validity of one item as against another on the same subject. He felt consumers also needed to know more about collection capabilities. Consumers tend to feel the Community can collect anything it wants, and lack of reporting may convey the impression nothing is happening when it may be that no collection capability exists.

9. Mr. Morell noted that in the National Intelligence Daily, it was not possible to tell whether the evaluations were being made by CIA or by the reporting embassy.

10. General Wilson said a more explicit qualification of uncertainties seemed needed and that this subject would be taken up with the Intelligence Panel.

11. Mr. Ellsworth said that consumers lack a means of providing feedback to the Community on its products. He felt this was in part a problem for the consumers, but he thought the Community could be "more invitational" for guidance on its future efforts. He had been told there were repeated instances of lack of response to consumer feedback.

12. Mr. Brown said he thought the Community needs and would welcome consumer feedback. General Wilson said this problem was one the Intelligence Panel could examine. Mr. Morell said that both the DDO/CIA and the SIGINT organizations were asking for evaluation of their support. He considered there was need for a systematic process for periodic feedback.

13. General Wilson said that development of a simple, regular feedback system may well be a task for his Intelligence Community Staff.

14. Admiral Hilton noted the KIQ system started with something like this, but he understood it had been dropped from the KIQ-75 program. General Wilson said the KIQ-74 program only evaluated 11 KIQs, but he and Admiral Hilton agreed feedback was important in the KIQ effort.

15. Mr. Ober said that feedback was a function of the NSCIC. The NIOs maintain consumer contact on a day-to-day basis, but longer range critiques should be the NSCIC role and the Working Group should work out how this can be done. He felt serious consideration should be given to having the next set of KIQs prepared by consumers under aegis of the Working Group.

16. General Wilson said he was inclined to agree but emphasized that the statements of consumer needs would have to be translated by the Community into intelligence requirements.

17. Mr. Ober said his canvass of the NSC staff had indicated a "uniformly positive" reaction to participating in the drafting of KIQs.

18. General Wilson asked Admiral Hilton if the Joint Staff would be willing to participate and the Admiral said he thought J-3, J-4, and J-5 could provide good inputs if the JCS agreed to participate. He saw DIA as both a producer, and, as J-2, a consumer.

19. Mr. Ellsworth said his deputies would be glad to participate.

20. Mr. Brown agreed generally, but he felt the KIQs were a catalog and much of the information already was available. He was concerned about the "disconnect" between what is asked for and what is received, and thought there was a need to critique what is actually provided to consumers. He cited the recent estimate on nuclear proliferation as good but incomplete, and he noted a disconnect between the estimate and current intelligence. He didn't think it would be appropriate for the Working Group to spend all its time "refining menus."

21. Mr. Ober said the KIQs might not be the best or only mechanism, and he suggested a paper be prepared on how consumers are to provide guidance, for a document would be needed to get consideration of the problem beyond the talking stage.

22. Mr. Brown raised the question as to whether post mortems should be done on NIEs, a task he felt consumers could do. Mr. Ellsworth agreed and asked why it would not be possible before an NIE is written to have consumers help draft the terms of reference. Mr. Ober agreed with both suggestions.

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23. Admiral Rectanus said the mechanism to do this now exists since the DCI puts out proposed terms of reference which the intelligence chief in each department can clear with his consumers to ensure it meets their needs. Mr. Morell said this was done in Treasury, but it is often difficult to get users to focus on an NIE or NIAM that won't be issued until two or more months later. He noted that he gets "static" from some NIOs when he raises economic matters on what the NIO considers to be a political estimate, and his problem is to get the NIOs to see that economic evaluations often govern political actions.

24. General Wilson asked if the members saw schedules of upcoming estimates, and Mr. Ober said these are no longer circulated. He said he has received complaints that a particular estimate is being worked on when it is another that is more urgently needed.

25. General Wilson said this is a problem the Working Group could examine.

26. Admiral Rectanus thought it should be easy for the NIOs to inquire of their users what is wanted, and that the DCI "should know what the President wants."

27. Admiral Hilton noted there used to be a formal document, including estimates to be prepared in the future, and he wondered if it still existed. Mr. Brown said it had been a useful document, but he hadn't seen it in a year.

28. General Wilson said he would check on this and report back.

29. Mr. Morell asked why the NSC was not represented on the USIB, and Mr. Ober said this was under consideration.

30. Mr. Ellsworth wondered if it would be out of the question to allow key consumers to review the penultimate drafts of important estimates. Admiral Rectanus said this was done in the Navy. Admiral Hilton and General Wilson both said DIA used to do this with the Joint Staff. Admiral Rectanus noted that these reviews had not really involved the OSD hierarchy, and work could be done on this.

31. Continuing his comments, Mr. Ellsworth noted that the Intelligence Community seemed reluctant to release information before it was in final coordinated form and some reports thereby lost their timeliness.

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He considered a timely rough draft is better than a too-late final paper. He also noted that there seemed to be a Community attitude that only SI/TK cleared personnel had a "need to know" and although others finally get a sanitized version, timeliness is lost in providing the latter product.

32. Mr. Morell said the SI/TK classification of the current intelligence dailies poses problems since the reports cannot be left in a user's office. It was his view that a Top Secret version wouldn't lose much information and would have greater usefulness.

33. Admiral Hilton said that the results of the TK sanitization effort are more evident outside than within Washington, and he would like to see the information disseminated in a classification which workers can use.

34. Mr. Ellsworth said that some users consider the Intelligence Community has an attitude that the consumer is an irritant, and there is a need for this to change to an attitude that the consumer is usually right.

35. General Wilson said a "market arrangement" wasn't possible under present budget procedures, but if the consumer had to pay for his intelligence, and would only pay for what he really wanted, there would be no problem of Community attention.

36. Mr. Ellsworth emphasized that the Secretary of Defense is particularly interested in qualitative aspects of the Soviet force structure, and on a recent trip to Europe the Secretary had noted with some surprise that intelligence collectors were not aware of his interest.

37. Mr. Ellsworth said the Secretary is interested in:

- a. more and better comparative defense expenditure information;
- b. an examination as to whether the USSR is more efficient than the US in manufacturing tanks, guns, ships, etc.;
- c. more data on relative defense costs (at this point, Mr. Morell noted that CIA is putting a tremendous effort on this at the expense of other economic intelligence and he wondered whether CIA might use external contractual research on this problem);

- d. the political impact of the existing strategic balance on both US allies and adversaries;
- e. a better evaluation of how Soviet leadership performs;
- f. a better evaluation of the resources devoted to Soviet strategic programs;
- g. a more sophisticated evaluation of the relative effectiveness of forces (Soviet/US, Warsaw Pact/NATO);
- h. a better analysis of the impact of logistics on Soviet capabilities; and
- i. a better analysis of the capabilities of Soviet forces to execute limited objective operations (as in the Persian Gulf).

38. Admiral Hilton asked if DIA was aware of these points, and Mr. Ellsworth said yes.

39. General Wilson called on Mr. Brown, who said State's major interest is to examine the current intelligence output and provide feedback to the Community. He would like to see the Working Group put emphasis on this kind of evaluation rather than on requirements or KIQA. In response, Mr. Ober said that if the customer is to critique the product, he must accept responsibility for indicating what he wants collected and produced.

40. General Wilson noted that Dr. Proctor and others on the Intelligence Panel had expressed an interest in listening to the critique from Working Group members, and that he regretted the Panel members were not present.

41. The chairman then called on Mr. Ober, who reported most of his basic proposals already had been covered in the discussion. The next need was to decide on the mechanics of translating the comments of the Group members into a program. In his view, the matters on which emphasis had been put were guidance (KIQA) and evaluation, the current intelligence dailies, estimates, and dissemination problems. He noted there was a criticism of three current dailies rather than one, and he thought the Group could develop specific recommendations on this. He wondered whether there was not something better than the present daily pattern of current intelligence reporting. The need is to define the tasks of the Working Group.

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42. General Wilson agreed with the thrust of these comments and added that the value of what the Group does will depend on what takes place in organizations. He wanted to make certain that each task the Group undertakes is clearly defined and focused to the point that one of the members could agree to handle it. In some cases, he expected the Intelligence Panel would be given the task and charged to report back to the Working Group.

43. Mr. Ober said that a study of the NIB is already underway and when completed it should be presented to the Working Group. He said he sometimes felt that the Community changes its reporting system unilaterally, and since this affects the consumer, the user should have a voice in the change.

44. General Wilson reported that the Intelligence Community Staff is examining current intelligence products. A review was made of October output, the reviewing system tightened, and review is now being made of November publications. He said the resulting report could eventually be provided to the Working Group.

45. Mr. Ober said a sub-group should look at the NIEs and NIAMS, and Mr. Brown said this was what he had in mind, since the NIEs are fundamental to State.

46. Admiral Hilton considered this kind of an approach might well bog the Working Group down, particularly since over a short term it is impossible to determine how accurate some estimates are. He felt the Group should examine the minutes carefully before deciding what to undertake as projects.

47. General Wilson said the discussion was bringing the Group toward consideration of its work program. He was inclined to favor the use of sub-groups, but he felt care should be taken to define precisely what was to be done, what the end product should be, and who could do it best.

48. Mr. Ober agreed with the need for firm and specific proposals, but he hoped the Group would not get involved in detailed analyses.

49. Admiral Hilton said a good first step would be a briefing on the estimative process. Mr. Brown added that this should cover the NIOs in particular. General Wilson agreed such a briefing would be provided.

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50. Mr. Morell said he was concerned with both product and ingredients, at which Admiral Hilton again said he didn't consider the Group should get involved in evaluating the accuracy of particular estimates. Mr. Ober said the Group should stimulate and organize the critiques. Mr. Morell noted there are many products, and he wondered why each member of the Group couldn't select the products which are most important to him, develop a critique, and circulate it to the other members. He considered it would be valuable to then combine all these comments into one report.

51. Admiral Hilton noted there is a tendency to force analysis to lead to a conclusion and this may not always be justified; consumers may be pushing for answers on questions for which there is no answer.

52. He considers not enough attention is being paid to Soviet deception and disinformation activities. The Joint Staff is particularly interested in crisis management and considers there should be a better intelligence plug-in at the WSAG. He noted that DIA supports the JCS chairman but there is need for better intelligence support overall.

53. Mr. Ober noted that separate reports by CIA and DIA in crisis situations cause problems. General Wilson said that work was being done on this, and he described the arrangements underway for the DCI to use General Faurer, DDI/DIA, and the NMIC, augmented from other parts of the Community, on strategic warning.

54. Mr. Morell said he had several additional points and General Wilson asked these be provided to him for distribution to the Group.

55. To prevent the Working Group from "walking over the same ground" the PFIAB has, Mr. Morell wondered if the Group could be provided copies of PFIAB critiques of the Community. General Wilson said these were privileged papers for the President, but he would check into it.

56. Mr. Morell noted there is debate within the Community as to the extent to which intelligence officers should look at policy options, and he felt that comments by the Group could "push" the Community into this arena.

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57. Mr. Ober said there would be a negative response to this at the NSC staff, where the feeling is that intelligence consumers are responsible for the policy options. What he considered is wanted are longer-range projections of the consequences of alternative political and economic developments abroad.

58. Mr. Morell said that PFIAB had raised the question of the extent to which clandestine operations should be conducted against friendly nations, and he felt that part of this problem arose because people outside the Intelligence Community don't understand how clandestine operations function, and don't appreciate the incremental risk factors.

59. He said that the present biographic intelligence is not as useful as it could be. More attention needs to be given to a foreign official's policy positions, his basic philosophy, and how long he is likely to be around, rather than to how many children he has.

60. Mr. Morell said the Intelligence Community could make better use of the desk-level officials in State and the policy-level Treasury officials. They are doing intelligence work even though it is not called intelligence, and there is need for more consultation and interchange.

61. He commented that problems are caused by delays in input of data from the field because the field wants to submit a completed analysis. He cited the foreign reaction to Secretary Simon's recent speech dealing with the proposed \$25 billion recycling facility, as an example, and said that Treasury still had not heard from the FBIS on this. Treasury Under Secretary had reported from Europe by telephone, however.

62. Mr. Brown said that Dr. Kissinger has been pushing hard on the ambassadors to provide more analytic reporting, and he gets upset at straight factual reporting.

63. Mr. Morell said Treasury's problem is two-fold: It needs to know what is going on as it happens, and it needs an interpretation.

64. The chairman called on Admiral Rectanus, who said his perception and views had been reflected in Mr. Ellsworth's comments. He noted that the support for OSD is the problem of the Director, DIA. If he can't do it, then it becomes a Community problem.

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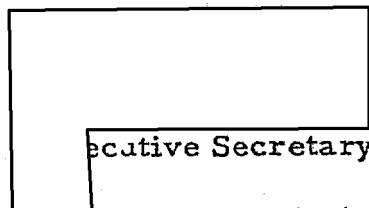
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65. General Wilson said today's comments would be reviewed to identify follow-on actions and a memorandum would be prepared. He hoped to be able to use memoranda to move the program along without calling meetings too frequently. He said he would welcome inputs from the members as to future agenda items and comments as to how to proceed from today's discussion.

66. Admiral Hilton asked if there would be a NSCIC meeting in December, and General Wilson said none was yet scheduled since much would depend on what the Working Group proposed.

67. Admiral Hilton's closing comment was that he would like to see numerical probabilities used in estimates.

68. The meeting adjourned at 1215 hours.

  
Executive Secretary

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